



F. BUDGET

The State of Mississippi
 Phil Bryant, Governor
 Dr. David A. Chandler, Commissioner
 www.mdcps.ms.gov

MEMORANDUM

To: Justice Dickinson, Commissioner
 From: Takesha Darby, Deputy Commissioner
 MDCPS Finance

Re: Use of SSBG and TANF Funds

Date: September 15, 2017

Historically, there has been a verbal agreement between MDHS Division of Field Operations (formerly Economic Assistance) and Child Protection Services (formerly MDHS Division of Family & Children's Services) to transfer Social Services Block Grant (SSBG) and Temporary Assistance to Needy Families (TANF) funds to Child Protection Services (CPS) for child welfare services. The initial agreement was for CPS to receive \$14,000,000 per year in TANF funding. Over the years, as the staff and needs for CPS increased due to the *Olivia Y.* Settlement Agreement, the amount of TANF funding provided by MDHS Division of Field Operations increased.

During FY2015, CPS received \$4,799,426 in funding from SSBG and \$25,507,716 in TANF funding from MDHS. The total amount of MDHS federal funding provided to CPS totaled \$30,307,142.

During FY2016, CPS received \$6,327,405 in funding from SSBG and \$24,884,746 in TANF funding from MDHS. The total amount of MDHS federal funding provided to CPS totaled \$31,212,151.

During FY2017, CPS received \$12,300,702 in TANF funding from MDHS. This is the same year CPS received an increased budget appropriation in General Funds and additional State Support Special Funds - Capital Expense. This was an increase of approximately \$34,000,000.

While advocating for additional funds during the legislative session, CPS had not anticipated any decreases in SSBG or TANF funding. After the session ended, MDHS received an appropriation bill which specifically outlined the funds and positions appropriated to CPS separate from MDHS. It was at this time, Jacob Black and I had a

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conversation regarding MDHS pulling back TANF funding to allow CPS to realize its actual budget but TANF funds would be available at the end of the year to prevent a deficit for CPS. At the end of the year, CPS received the \$12,300,702 from MDHS in TANF funding to close out the fiscal year.

Additional funds would have been required had the agency moved forward with its in-home services program which was anticipated to cost approximately \$10,000,000 annually, acquired a new building and filled all vacant positions.

FY2018 Appropriations Bill for CPS was cut in state funding by \$14,300,000. If TANF funding is not available to CPS during FY2018, there will be a shortage of funds available to implement a statewide in-home services program that would prevent children from entering custody because services would be provided in the home setting to children and families. This is critical to the agency's mission and mechanism to reduce worker caseloads and ensure the safety and well-being of the children's lives touched by this agency.

Historically, much of TANF funding was utilized through the cost allocation process to fund a large portion of social worker provider services which absorb costs for caseworker salaries, travel, contractual services, commodities and equipment at the county level. Since the majority of CPS' staff are caseworkers, the agency spent more General Funds on expenses for caseworkers which limited funding for other planned projects and services.

A copy of the current Mississippi State Plan for TANF which expires 12/31/2017 is attached for your review.

Please let me know if you have additional questions or concerns regarding the information provided.

Cc: Taylor Cheeseman

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